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. . . . The CIA RETIREMENT BOARD convened at 2:00 p.m. on Thursday,
23 May 1968, with the following present:

Mr. [REDACTED] Chairman
Mr. [REDACTED] Member
Mr. [REDACTED] DP Member
Mr. [REDACTED] Member
Dr. [REDACTED] T Member
Mr. [REDACTED] Member
Mr. [REDACTED], Legal Adviser
Miss [REDACTED] ical Adviser
Mr. [REDACTED] Executive Secretary
Miss [REDACTED] Recording Secretary

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MR. [REDACTED] Let's start with the minutes of the last meeting.

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MR. [REDACTED] May I ask if Mr. [REDACTED] has been notified there will be no
extension?

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MR. [REDACTED] We can't send them till the end of the month.

MR. [REDACTED] But it would be the intent to inform him?

MIS [REDACTED] Yes.

MR. [REDACTED] Any other discussion or additions or corrections?

(No response.) Okay, we will accept the minutes as presented and go on to our
first case, item A, which will be a vested right to remain in the system for

Mr. [REDACTED].

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MR. [REDACTED] I move we offer him an election.

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MR. [REDACTED] Second.

. . . . This motion was then passed

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MR. [REDACTED] The next case is [REDACTED] retiring early at
age 52. He meets all the requirements of eligibility for retirement.

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MR. [REDACTED] I move we recommend favorably on the request to retire.

MR. [REDACTED] Second.

. . . . This motion was then passed

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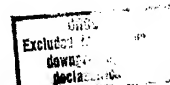
MR. [REDACTED] Does anybody know whether we regret seeing his departure?

Is he one of those the Agency would like to hang on to? I think it would be
interesting to have the statistics.

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MR. [REDACTED] I think in most cases that have come up so far the
career service indicated they were more than willing to have them leave.

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25X1A9a MR. [REDACTED] He is fairly young
 MR. [REDACTED] It might answer some of those questions if the correspondence were attached to the Agenda.

25X1A9a MR. [REDACTED] Where they really hope to have them go they don't usually like to put it in writing. Do you think it would be worth the effort, Paul, to try to get some statistics on this?

25X1A9a MR. [REDACTED] I do because it seems to me we ought to at some time periodically evaluate whether the purpose of the Act is in fact being achieved.

25X1A9a MR. [REDACTED] Wouldn't it be a good idea then to, at some future date or maybe at the present time, take our total list of early retirements, go back to the office concerned and find out how many of these they regretted losing?

25X1A9a MR. [REDACTED] After that you could do it just as a matter of course like you make your opinions as you go along.

25X1A9a MR. [REDACTED] Do we make any periodic evaluation of the retirement system for anyone or any reports?

25X1A9a MR. [REDACTED] Not in that sense. Right now I am working on a report we can use when we go on the cost of living increase.

25X1A9a MR. [REDACTED] It might be worthwhile to try it because I can see how the Director or whoever is appearing might be asked a question: "How effective has this retirement system been?"

25X1A9a MR. [REDACTED] I have a feeling on any one they really did not want to retire they have been able to talk him into staying on. I think I know of a couple of cases.

25X1A9a MR. [REDACTED] Let's table this for a moment. I think some evaluation of that system might be timely and should be done.

25X1A9a Our next two cases are requests for extension of service. Mr. [REDACTED] has had two retirement dates set for him. Originally he would have gone March 31, 1970 then when we changed the policy it was cut back to June 1969 and now he requests that he be permitted to remain until June 1970. His reasons are that he originally wanted to retire at 65, that he still will have a child in graduate study --

25X1A9a MR. [REDACTED] -- not graduate --
 MR. [REDACTED] -- undergraduate. Retirement in 1969 would have coincided with the completion of undergraduate study.

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25X1A9a MR. [REDACTED] I feel particularly keen about this because I recruited the man. He was [REDACTED] at the time with no intention of working for the Government. He didn't want to leave. I had served with him in the Navy and thought he was a valuable addition. He is the kind of guy that asks all the right questions.

25X1A9a MR. [REDACTED] What is this man likely to do when he retires - go back to teaching?

25X1A9a MR. [REDACTED] He probably may tie back with the academic community. I don't know. I think the biggest thing that he feels will be necessary will be to give up his home which he built not far from here just a few years ago when we still had the old policy. In other words, he felt he would still be here till perhaps 65 and certainly not earlier than 62.

25X1A9a MR. [REDACTED] I appreciate the point but probably many retirees -- perhaps even most -- give up their homes when they do retire and move into smaller facilities. I know I expect to sell mine. I thought maybe he would probably go back to teaching and --

25X1A9a MR. [REDACTED] -- as a Dean. He hasn't taught. I don't know. He obviously hasn't negotiated seriously this far in advance.

25X1A9a MR. [REDACTED] His extension to March 31, 1970 would be automatic under present policy so it is really a question of whether we are going to deviate from what is virtually automatic for three more months.

25X1A9a MR. [REDACTED] Does anyone feel strongly against this?

DR. [REDACTED] It is from March to June?

MR. [REDACTED] Yes. Actually if it were not for the three months, under present policy, it would not have come under this Board.

25X1A9a MR. [REDACTED] I'd like to say under the old Board when they were handling Civil Service cases there was no hesitancy on the part of the old Board to grant two or three or five or six months to an individual if they felt that necessary for an orderly transfer from his present occupation to either retirement or another occupation and not necessarily because of financial hardship. It was just for an orderly transfer.

25X1A9a MR. [REDACTED] Does anybody object to this three months? (No response.) Okay, let's approve it.

25X1A9a [REDACTED] This case fascinates me because of the absence of, I think, relevant information. I wonder if what is being proposed here is

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to her best interest? Let me point out some arithmetic. Her salary is now \$8,759 and if I deduct six and a half percent retirement that gives her \$8,190. If I applied income tax at the minimum rate of 20 percent I would bring it down to \$6,439. Her annuity at the earliest indicated -- December 31, 1968, would be \$5471, meaning that there is only a reduction in expendable income of \$969. Here is a skilled and trained secretary steno office worker. She could retire and go out and obviously augment her income by a bare minimum of three to four thousand a year and it seems to me her best interest almost dictates that she retire now rather than hanging on. I think I could convince her of that in about five minutes' time. To me she would be utterly

25X1A9a foolish not to move on. [REDACTED] brought to my attention the fact that she has an accumulation of sick leave of only 98 hours which is almost rather shocking to me for a person of her years of service unless she had a very unfortunate health record.

25X1A9a [REDACTED] Here it says her health is exceptionally good.

25X1A9a MR. [REDACTED] I don't understand whether this is in error. It seems to me we really know nothing about her husband who seems to be a key factor. He is reported to have had an auto accident from which he has only recently recovered. The thought occurred to me maybe she was out on sick leave. Can you take sick leave to take care of --

25X1A9a MISS [REDACTED] No -- contagious illness only.

25X1A9a MR. [REDACTED] I don't know whether her husband is employed again or whether he is retired or what he is.

25X1A9a [REDACTED] Perhaps what happened, Emmett, for the past umpteen years she hasn't been working as a steno. She doesn't want to go out and get into that market again. Looking at the description of her jobs the last thing she has been is something called an intell assistant.

25X1A9a MR. [REDACTED] I think she probably qualifies for other work. It's not a case of not getting another job in some cases as it is a case of not wanting to start another career that may be a very short one.

25X1A9a MR. [REDACTED] The memo says we are convinced her financial situation is such that she will be required to work for a period of several years beyond December 1968. I think particularly under these circumstances she will be financially better off if she goes to another job now. It doesn't make sense.

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25X1A9a MR. [REDACTED] Maybe you have raised enough questions to table the case and have someone in Personnel discuss the implications of her case.

25X1A9a MR. [REDACTED] Did she receive a five-year letter saying she retires at 60?

MR. [REDACTED] I have a hunch if someone were to talk to her and bring to her attention the item of non-taxability and no more retirement deductions she can get a job in industry and greatly augment her family income she might see the thing in a different light entirely. I'd like to table it and have someone counsel her.

25X1A9a MR. [REDACTED] Would this be a problem for the Retirement Counseling Staff?

25X1A9a MISS [REDACTED] Either that or our Technical Branch -- [REDACTED]

25X1A9a MR. [REDACTED] It makes sense to me.

MR. [REDACTED]: [REDACTED] office used to go into things like this on the husband. Do we still do that? I think we ought to know whether the husband is still working and whether his income has been effected unless we want to take this statement: "... permanently limits his earning capacity ..."

25X1A9a MR. [REDACTED] It may be that her hospital coverage is very important to her. I don't know what the facts are. I think counseling with her and at least dig out the facts may change her mind or give us more information. It is agreed we table that and do confer with the individual.

25X1A9a I have some new business. It is a shame to bring this up. We have approved the voluntary retirement of Mr. [REDACTED] as of 31 May 1968. The Division requests that his retirement be deferred to June 30, 1968. It is a matter of one month in order that they may have time to debrief and administratively process him. I am sure we all agree. It is still voluntary. I would hope I could make a phone call and have them say, yes. It's silly to send a piece of paper up to formalize this thing. All in agreement? (No response.)

Is there any other business?

25X1A9a MR. [REDACTED] I'd like to ask about retirement of reserve appointees. The case I had in mind is this, that the individual got the letter but we would like him to extend till he is 62 and he would like to, however, there is a request outstanding for his reserve appointment to age 60. I think there is a conflict between regulations and policy on retirement in regard to reserve appointees. I can't verify this but I think the regulation says reserve appointees must not be continued to beyond 60. Is this true?

25X1A9a MISS [REDACTED] I think it is in some policy paper. I think it has to go

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to the Director if you want to keep them after that. The problem in this case is ever having sent a reserve appointee a five-year letter in the first place.

Unfortunately, that is not the only one.

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MR. [REDACTED] One purpose of reserve appointment was giving the Agency absolute control over the employment and this sending out the letter was inconsistent with the terms of his employment.

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MR. [REDACTED] It happens in this case he is a linguist -- very valuable and a retired Lieutenant Colonel of the Army. His civilian grade is only GS-11. He would get more total retirement pay by continuing his military retirement and not credit Civil Service retirement. In most cases it works the other way but in his case it would not if he continued until he was age 62.

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MR. [REDACTED]: I think you should go by the reserve appointment. This is his contractual tenure.

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MR. [REDACTED] If he doesn't count his military he doesn't have enough to retire so he has to stay until he is 62.

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MR. [REDACTED] Retirement age has nothing to do with it. His tenure is determined by his reserve appointment and if it is extended for a period it is extended. I don't think you should disregard that we have a retirement policy in requesting extension of his reserve appointment because cases like this do create an unfortunate comparison between staff and others, perhaps.

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MR. [REDACTED] There was some kind of policy pronouncement on this.

MISS [REDACTED] I think it was a paper the Director approved.

MR. [REDACTED]: Recognizing the conflict that could arise.

MISS [REDACTED] I think you can't carry him beyond age 60 unless the

Director approves.

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MR. [REDACTED] Should we track down this issuance for Mr. [REDACTED] -- whatever that calls for?

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MR. [REDACTED] Since this man apparently got letters, even though he shouldn't have, the question of adhering to the original letter.

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MR. [REDACTED] I think the letters have no bearing on the case. They can't change his status. I would frankly recommend on those other reserves who were notified I would let them know they were sent letters in error. It is important they know and realize their appointment expires at such and such a date, otherwise they could be misled terribly.

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MR. [REDACTED] We have a request outstanding in this case for an extension for this man. The extension would take him to age 60. It's a question of amending that request to carry him two years beyond that. That's consistent with policy and I see no reason why it can't be done.

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MR. [REDACTED]: I would look at policy and write it up according to what your needs are.

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MR. [REDACTED] Somebody sent me this Federal Spotlight on voluntary stock purchases for retirement benefits. It might be something the Agency would want to consider particularly for those who don't have a long tenure and would need to supplement their income.

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MR. [REDACTED] The Agency is considering this and has it under study at the present time. Colonel White picked this up and asked Personnel to do some research. It is a voluntary savings plan -- payroll deduction -- with money being invested in some form of a semi-mutual or mutual stock. At least, I judge that is what this is. The VA has it?

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MR. [REDACTED] Yes.

. . . . An off-the-record discussion of the stock purchase plan followed

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MR. [REDACTED] At the last meeting I believe [REDACTED] was going to see that a memo went forward to the Director on the right to extend for administrative reasons for sixty days.

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MISS [REDACTED] We have drafted a memo on that which would delegate such authority to D/Pers and to the General Counsel for extensions beyond the mandatory retirement date. I don't know who has it. Jim, we sent it to Larry and he said he turned it over to somebody to look into.

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MR. [REDACTED] How long ago?

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MISS [REDACTED]: Last week. He said he was sending us a quasi-legal opinion on it. I'm not sure what he is going to say.

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MR. [REDACTED]: I talked to Larry about this once. He said he doesn't believe the Director has the legal authority but who is ever going to say anything about it.

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MR. [REDACTED]: -- unless the Agency is the one who is going to object.

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MISS [REDACTED] as it recommended that Mr. [REDACTED] would --

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MR. [REDACTED]: Chances of him going overseas again are good. I'm going to talk further with [REDACTED] about it and see. Maybe he would be interested in an assignment in Vietnam. He only lacks seven months.

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MR. [REDACTED]: What about the 11(c) route?

MR. [REDACTED]: We have a memo from DDP that he has no domestic service consideration under that.

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MR. [REDACTED]: John says we cannot leave him in. We have to take him out.

MR. [REDACTED]: It is highly unlikely that he will get overseas this year.

MR. [REDACTED]: It seems to me he has a perfect right to contend he has domestic --

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MR. [REDACTED]: The DDP sent me a memo that he doesn't have.

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MR. [REDACTED]: I wonder if Murray could say a word about this list. I

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keep looking for people we have talked about here. For instance, why isn't [REDACTED] on this list. His retirement is pending.

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MR. [REDACTED]: Because of space problems I only go about three months ahead of time. That includes May, June and July unless they have signed. The only reason I put those (indicating) on is because they had signed.

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MR. [REDACTED]: Is there any other business? (No response.)

. . . . The meeting ended at 2:40 p.m.